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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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DOGM
MINERALS PROGRAM
FILE COPY

October 8, 1991

Mr. Robert J. Ramsey
General Manager
Kennecott, Barney's Canyon Mine
P.O. Box 311
Bingham Canyon, Utah 84006-0311

Dear Mr. Ramsey:

Re: Outstanding Reclamation Contract, Kennecott Corporation,
Barney's Canyon Mine, M/035/009, Salt Lake County, Utah

The Division began renegotiating the issue of outstanding reclamation contracts with Kennecott Corporation in August of 1990. Since that time the Reclamation Contract Form MR-RC has been modified. The most recent modifications came from negotiations between legal counsel for both the Division and Kennecott.

Due to an apparent breakdown of communication, the latest revised form (dated August 5, 1991) was not forwarded to you. Enclosed is a copy of the latest version of the Reclamation Contract form for your use in finalizing the surety bonding arrangements for Kennecott's Barney's Canyon Mine (file #: M/035/009). The amount (\$2,700,000) and form of surety received conditional approval by the Board of Oil, Gas and Mining on August 25, 1988. A signed Reclamation Contract Form was required by the Board as a condition to their concurrence and acceptance of the proposed amount and form of reclamation surety. Please complete this form and return it to the Division by November 15, 1991. If you have any questions regarding this matter please contact me or Tony Gallegos of the Minerals staff. Thank you for your assistance in finalizing this permitting action.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

aag/jb
cc: Richard Pierce, Kennecott
Lowell Braxton, DOGM
Tom Mitchell, AAG
Minerals staff